

Members:

Rep. Brian Hasler, Chairperson
Rep. John Day
Rep. Craig Fry
Rep. Cleo Duncan
Rep. Jack Lutz
Rep. Candy Marendt
Sen. Thomas Wyss
Sen. Connie Lawson
Sen. John Waterman
Sen. William Alexa
Sen. Allie Craycraft
Sen. Glenn Howard



WORKFORCE DEVELOPMENT STUDY COMMITTEE

LSA Staff:

Irma Reinumägi, Attorney for the Committee
Beverly Holloway, Fiscal Analyst for the Committee

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**Legislative Services Agency
200 West Washington Street, Suite 301
Indianapolis, Indiana 46204-2789
Tel: (317) 232-9588 Fax: (317) 232-2554**

MEETING MINUTES

Meeting Date: August 24, 1998
Meeting Time: 1:00 P.M.
Meeting Place: State House, 200 W. Washington St.,
Room 404
Meeting City: Indianapolis, Indiana
Meeting Number: 1

Members Present: Rep. Brian Hasler, Chairperson; Rep. John Day; Rep. Cleo Duncan; Rep. Jack Lutz; Rep. Candy Marendt; Sen. Thomas Wyss; Sen. Connie Lawson; Sen. John Waterman; Sen. Allie Craycraft; Sen. Glenn Howard.

Members Absent: Sen. William Alexa; Rep. Craig Fry.

The Chairperson called the meeting to order at 1:15 P.M. After introducing the members of the Committee, he explained that the Committee is in its second year of work, and he wishes to ensure that the outcome to individuals of the Committee's work will be better delivery of services. He announced that the Committee will meet again in October.

The Chairperson called upon Craig Hartzler, Commissioner of the Department of Workforce Development (DWD), to present an update on DWD's activities since the Committee last met in November. Mr. Hartzler distributed a letter to Committee members¹. He focused on three areas of activity in workforce development: interagency and state action, community action, and federal action.

¹ A copy of this letter is on file with the Legislative Information Center, Room 230, State House, Indianapolis, Indiana. The telephone number of the Legislative Information Center is (317) 232-9856, and the mailing address is 200 W. Washington St., Suite 301, Indianapolis, Indiana 46204-2789.

Interagency and state action: DWD has submitted a package of waiver requests to the U.S. Department of Labor, and is awaiting a response. DWD has asked the Indiana Department of Labor to review its own rules and policies to evaluate whether its processes can be streamlined. Because of the interest in what types of resources from the federal and state governments may be available to regional boards, DWD has prepared and distributed a funding matrix. An interagency group has met to review written proposals for regional programs, and Mr. Hartzler has observed greater collaboration and cooperation between state agencies.

Community action: In the process of developing regional workforce development boards, the Northern Indiana Workforce Development Services (serving Elkhart, Kosciusko, Marshall, and St. Joseph counties) is furthest along, having had a proposal approved by the state. Other regions that are involved in the process of establishing regional boards are Kankakee Valley, Northeast Indiana, Southeast Indiana, and West Central Indiana.

Federal action: Congress has enacted and President Clinton has signed the Workforce Investment Act of 1998. The Act must be implemented by the states by July 1, 2000, and the U.S. Department of Labor will have new regulations within the next six months. DWD is attempting to determine the impact of the Act on Indiana, and should be able to provide more information to the Committee at its next meeting. While Mr. Hartzler sees the Act as an opportunity for Indiana to improve its workforce systems, he noted that there do not appear to be any additional funds in the Act.

Mr. Hartzler stated that Indiana may need to enact legislation to take full advantage of the federal law and to supplement the federal law. He should have suggestions for this legislation by the Committee's October meeting. He explained that the Lieutenant Governor's Job Council issued its final report last November, and since then meetings have taken place between DWD and the Department of Commerce to implement recommendations of the Council. Because of the complexity of the issue, the process has been slow, but Mr. Hartzler finds the collaboration between agencies to be extraordinary.

Joe Loftus, representing the Indiana Private Industry Council Association (INPICA), distributed a summary of the Workforce Investment Act of 1998². Mr. Loftus stated that INPICA has encouraged local areas to begin developing regional boards. He explained that representatives of two boards were present to talk about their proposals, while he had a copy of the proposal submitted by Kankakee Valley for the Committee members³. Each of these boards is at a different stage of the regional board development process, and each has taken a different approach locally in developing the proposals.

² This document is on file with the Legislative Information Center (see footnote 1).

³ This document is on file with the Legislative Information Center (see footnote 1).

Juan Manigault, representing Workforce Development Services of Northern Indiana, provided copies of the original regional board proposal submitted by Northern Indiana⁴. He stated that their proposal responds directly to the parameters set by the state, and has the support of the county commissioners and mayors in the service area as well as support by business, labor, education, and community organizations. The proposal coordinates overlapping program services and establishes a partnership with local vocational education providers in the coordination and planning of goals. Mr. Manigault explained that the proposal provides a systems approach for employers, with an emphasis on quality and responsiveness. He described the process by which the proposal was developed as open, including as much of the community as was possible. He stated that he believes state legislation will be necessary to complement the federal Act, and would urge decision making to be kept as close to the local level as is possible.

Steve Corona, representing the Northeast Indiana Private Industry Council, presented a chronology of the process his region has been undergoing.⁵ At this point, his group has circulated a concept paper in their region⁶, and plan on having results of this "field testing" of their proposal by October 1, allowing them to present the results to the Committee at its October meeting. The group has also distributed an explanation of funding sources available within its region for workforce development activities⁷. Mr. Corona stated that his region has experienced swings in the job market, with existing plants closing while new plants, which may not require workers with the same skills, open. They have also found that the average wages in Indiana are less than those in other states. Mr. Corona believes that northeast Indiana demonstrates the general direction of the rest of the state, with workers' skills needing to be improved and developed.

Ron Keeping, representing the Southwest Indiana Workforce Development Consortium, stated that economic development and workforce development are intertwined. His region is at an earlier stage of regional board development than the northern Indiana boards whose proposals had been discussed, and he distributed a copy of initiatives they have developed thus far.⁸ He would urge Indiana to move quickly in the area of workforce development, looking at the best practices of other states and nations in this area, and using the available state and local expertise. Mr. Keeping believes that workforce development by itself may not be a high priority for local governments, but that the necessity for workforce development can be

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demonstrated as a part of economic development, which would generate more local government interest.

The Committee held a brief discussion concerning education as it relates to employment, training, and retraining.

Greg Fitzloff, Southern Indiana Chamber of Commerce, explained that his organization has taken a different approach for workforce development in Clark, Floyd, and Harrison Counties, approaching it from a demand perspective. He distributed materials concerning the Chamber's approach.⁹ Their program has three components: a business partnership program with local schools for students currently in school, workforce transition programs for individuals who are unemployed or underemployed, and training programs for individuals who are currently employed. In the business partnership program, students are taught what employers are looking for in employees. Mr. Fitzloff's organization has developed a "Top Ten" list of characteristics and skills that employers want, which he summarized by stating that employers are looking for prospective employees who can be trained for specific jobs. Thus, he feels schools should be teaching students how to learn, as they will need to continually acquire new skills while working. Mr. Fitzloff has found state agencies and other workforce groups to be generally supportive of his organization's efforts, and spoke highly of the Training 2000 program.

Roy Vanderford, representing INPICA, stated that the federal Act is a good starting point for state action. The federal government will expect states to deal with the current situation of fragmented delivery of services, with many of the current fragments being "required partners" under the Act. He pointed out that under the Act PICs will no longer exist, and so a transition to a new system must begin rapidly. He sees a need to move forward aggressively.

The Chairperson adjourned the meeting at 2:55 P.M. The next meeting of the Committee will occur on Friday, October 23, 1998, at 10:30 A.M.

⁹ These materials are on file with the Legislative Information Center (see footnote 1).